

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02470A
White Mountain Water Co
PO Box 1760
Payson, AZ 85547

RECEIVED
APR 11 2011
ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2010
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FOR COMMISSION USE

ANN 04	10
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3-29-11

COMPANY INFORMATION

Company Name (Business Name) <u>White Mountain Water</u>			
Mailing Address <u>Po Box 1760</u> (Street)			
<u>Payson</u> (City)		<u>AZ</u> (State)	<u>85547</u> (Zip)
<u>928-521-1000</u> Telephone No. (Include Area Code)		 Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address <u>joncheney@hotmail.com</u>			
Local Office Mailing Address <u>TX</u> (Street)			
 (City)		 (State)	 (Zip)
<u>same</u> Local Office Telephone No. (Include Area Code)		 Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address _____			

MANAGEMENT INFORMATION

<input checked="" type="checkbox"/> Regulatory Contact:			
<input checked="" type="checkbox"/> Management Contact: <u>Jon Cheney</u> <u>operator</u> (Name) (Title)			
<u>Po Box 1760</u> (Street)		<u>Payson</u> (City)	<u>AZ</u> <u>85547</u> (State) (Zip)
<u>928-521-1000</u> Telephone No. (Include Area Code)		 Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address _____			
On Site Manager: <u>TX</u> (Name)			
<u>same</u> (Street)		<u>same</u> (City)	 (State) (Zip)
 Telephone No. (Include Area Code)		 Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address _____			

Statutory Agent: Jon Cheney
(Name)

793 Highline Dr Payan AZ 85541
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: _____
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☒ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☒ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

White Mountain Water

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	2140	2140	-0-
302	Franchises	-	-	-
303	Land and Land Rights	8000	-0	8000
304	Structures and Improvements	1719	1719	-0-
307	Wells and Springs	62667	30569	32098
311	Pumping Equipment	28,889	27,229	1660
320	Water Treatment Equipment	-	-	-
330	Distribution Reservoirs and Standpipes	39,900	31764	8136
331	Transmission and Distribution Mains	139,589	139,589	-0-
333	Services	39,534	39,534	-0-
334	Meters and Meter Installations	4552	4552	-0-
335	Hydrants	28,000	28000	-0-
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	475	475	-0-
340	Office Furniture and Equipment	-	-	-
341	Transportation Equipment	-	-	-
343	Tools, Shop and Garage Equipment	-	-	-
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	383	383	-0-
346	Communication Equipment	-	-	-
347	Miscellaneous Equipment	-	-	-
348	Other Tangible Plant	-	-	-
	TOTALS	355,848	305,954	49,894

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

White Mountain Water

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	2140	-	-
302	Franchises	-	-	-
303	Land and Land Rights	8000	-	-
304	Structures and Improvements	1719	-	-
307	Wells and Springs	62667	4.1	2578
311	Pumping Equipment	28889	.43	124
320	Water Treatment Equipment	-	-	-
330	Distribution Reservoirs and Standpipes	39,900	1.5	600
331	Transmission and Distribution Mains	139589	-	-
333	Services	39534	-	-
334	Meters and Meter Installations	4552	-	-
335	Hydrants	28000	-	-
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	475	-	-
340	Office Furniture and Equipment	-	-	-
341	Transportation Equipment	-	-	-
343	Tools, Shop and Garage Equipment	-	-	-
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	383	-	-
346	Communication Equipment	-	-	-
347	Miscellaneous Equipment	-	-	-
348	Other Tangible Plant	-	-	-
	TOTALS	355848	-	3302

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

White Mountain Water

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 37,061.48	\$ 21,566.51
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 37,061.48	\$ 21,566.51
	FIXED ASSETS		
101	Utility Plant in Service	\$ 355,848	\$ 355,848
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	302,652 , 302,652	305,954
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 53,196	\$ 49,894
	TOTAL ASSETS	\$ 90,257	\$ 71,460

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME White Mountain Water

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	143,218	143,218
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 143,218	\$ 143,218
	TOTAL LIABILITIES	\$ 143,218	\$ 143,218
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 35,000	\$ 35,000
211	Paid in Capital in Excess of Par Value	49,232	49,232
215	Retained Earnings	(137,193)	(155,990)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ (52,961)	\$ (71,758)
	TOTAL LIABILITIES AND CAPITAL	\$ 90,257	\$ 71,460

COMPANY NAME

White Mountain Water

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 120,802.38	\$ 120,382.85
460	Unmetered Water Revenue		
474	Other Water Revenues	405	980
	TOTAL REVENUES	\$ 121,207.38	\$ 121,362.85
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	8643.03	10,294.05
618	Chemicals		
620	Repairs and Maintenance	2328.97	23,466.10
621	Office Supplies and Expense		
630	Outside Services	74,918.56	63,000.00
635	Water Testing	1244.00	876.29
641	Rents	18082.89	31,146.00
650	Transportation Expenses		
657	Insurance – General Liability	2871.00	3127.00
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	3302.00	3302.00
408	Taxes Other Than Income		
408.11	Property Taxes	4859.30	4948.38
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 116,247.75	\$ 140,159.82
	OPERATING INCOME/(LOSS)	\$ 4,959.63	\$ (18,796.97)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$ -
421	Non-Utility Income		-
426	Miscellaneous Non-Utility Expenses		-
427	Interest Expense	3920.09	-
	TOTAL OTHER INCOME/(EXPENSE)	\$ (3920.09)	\$ -
	NET INCOME/(LOSS)	\$ 1,039.54	\$ (18,796.97)

COMPANY NAME White Mountain Water

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ _____

Meter Deposits Refunded During the Test Year

\$ _____

COMPANY NAME	White Mountain Water
Name of System:	White Mountain water
ADEQ Public Water System Number:	09-330

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
SS-511177	20	130	460	8"	3"	1984
SS-981527	5	25	460	6"	3"	1999
SS-212303	15	100	460	6"	3"	2007

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
/	/	/

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	2	33	
15	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
65,000	2	5000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	White Mountain Water		
Name of System:	White Mtn Water	ADEQ Public Water System Number:	09-330

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	3300
3		
4		
5		
6	PVC	19,800
8	PVC	7,200
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	197
3/4	
1	
1 1/2	
2	2
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

1 chlorinator

STRUCTURES:

12 x 12 pump house

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	White Mt. Water	
Name of System:	White Mt. Water	ADEQ Public Water System Number: 09-330

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	199	704		
FEBRUARY	199	820		
MARCH	199	735		
APRIL	199	1476		
MAY	199	2544		
JUNE	199	3896		
JULY	199	2138		
AUGUST	199	2489		
SEPTEMBER	199	2254		
OCTOBER	199	1407		
NOVEMBER	199	907		
DECEMBER	199	724		
TOTALS →		20,094		

What is the level of arsenic for each well on your system? ① .006 ppb
② .006 ppb
③ .006 ppb mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 500 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
(X) Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (X) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: <u>White Mountain Water</u>	
Name of System: <u>White Mtn Water</u>	ADEQ Public Water System Number: <u>09-330</u>

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY			
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →			

OTHER (description):

NO

COMPANY NAME White Mountain Water YEAR ENDING 12/31/2010

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: \$ 4948.38 —

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
<u>Navigo</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>San Chenay manager</u>
COMPANY NAME
<u>White Mountain Water</u>

RECEIVED
FEB 22 2011
ACC UTILITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 18 DAY OF



MY COMMISSION EXPIRES

8/18/2013

COUNTY NAME

MONTH

Gila

march

2011

SIGNATURE OF NOTARY PUBLIC

COMPANY NAME White Mountain Water YEAR ENDING 12/31/2010

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 546 "5"
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances: _____

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

3/8/11
DATE

Jon Cheney
PRINTED NAME

Manager
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
<u>Navajo</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Gen. Cheney manager</u>
COMPANY NAME
<u>White Mountain Water</u>

RECEIVED
MAY 1 2 2010
ACCUITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 129,240.66

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 7,877.81
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 18 **DAY OF**



MY COMMISSION EXPIRES 8/18/2018

John Cheney
SIGNATURE OF OWNER OR OFFICIAL
928-521-1000
TELEPHONE NUMBER

COUNTY NAME	<u>Gila</u>
MONTH	<u>March</u>
	<u>2011</u>

Janet Kraniak
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

RECEIVED
FEB 20 2011
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Narajo</u>	
NAME (OWNER OR OFFICIAL) <u>Jon Cheney</u>	TITLE <u>manager</u>
COMPANY NAME <u>White Mountain Water</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2010</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 129,240.66

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 7,877.81
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

Jon Cheney
SIGNATURE OF OWNER OR OFFICIAL
928-521-1000
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

18th

DAY OF

(SEAL)



OFFICIAL SEAL
JANET KRANIAK
NOTARY PUBLIC - State of Arizona
GILA COUNTY
My Comm. Expires Aug. 18, 2013

MY COMMISSION EXPIRES

8/18/2013

NOTARY PUBLIC NAME <u>Janet Kraniak</u>	
COUNTY NAME <u>Gila</u>	
MONTH <u>March</u>	<u>2011</u>

Janet Kraniak
SIGNATURE OF NOTARY PUBLIC